



POLICY FLASH 2012-57

DATE: July 30, 2012

TO: Heads of Contracting Activities/Procurement Directors



FROM: Contract and Financial Assistance Policy Division
Office of Policy
Office of Acquisition and Project Management

SUBJECT: Communication to All Department of Energy Contractors

SUMMARY: Information is provided herein that is to be disseminated to all Department of Energy (DOE) prime Contractors. Please direct all of your Contracting Officers to electronically dispatch the information to all their prime contractors immediately. If an electronic message of non-deliverability is received, Contracting Officers should attempt delivery by an alternate means of delivery. Procurement Directors are directed to provide confirmation to Berta Schreiber and Richard Langston by 9 a.m. EDT July 31, 2012, that they have provided notification to their prime contractors.

INFORMATION: Private and public sector entities have raised questions about whether the WARN Act requires Department of Energy contractors to provide WARN Act notices to employees because of concerns that their contracts may be terminated or reduced in the event of a sequester on January 2, 2013. In order to provide guidance to those potentially affected by a sequestration order, the Department of Labor (DOL) has issued the authoritative guidance to state workforce agencies. DOL is the Federal agency responsible for implementing the WARN Act.

The DOL guidance concludes that Federal contractors –including Department of Energy contractors – are not required to provide WARN Act notices 60 days before January 2, 2013, in anticipation of a potential sequestration order that could be issued on that date. The DOL guidance further explains that to provide such notices would be inconsistent with the purposes of the WARN Act.

If you have additional questions about the application of the WARN Act to the prospect of sequestration, please consult the Department of Labor guidance (http://wdr.doleta.gov/directives/corr_doc.cfm?docn=6487), your state workforce agency, and your own legal advisors.

This Flash will be available online at the following website:
<http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes>.

Questions concerning this policy flash should be directed to Richard Langston, of the Office of Procurement and Assistance Policy at (202) 287-1339 or at Richard.Langston@hq.doe.gov.